

**Item:** RESO 08-286  
**Fiscal Impact:** \$ 28,196.87  
**Funding Source:** HP Purchase Agreement  
**Account #:** \_\_\_\_\_  
**Budget Opening Required:** No

**ISSUE:**

A resolution authorizing the purchase of desktop and laptop computers for use by the Police Department

**SYNOPSIS:**

Twenty-five percent of the computers in the Police Department will be replaced each year through the HP Lease Purchase agreement.

**BACKGROUND:**

Formal bidding will not be required for this purchase because this vendor, Valcom, holds a contract with the State of Utah. The Police Department has historically replaced computers with line item funding that has not been able to keep up with demand due to the severe conditions to which most of the computers are subject. Working with the City's IT Division, the department has found that by participating in the current HP Lease Purchase Agreement, the department will be able to replace twenty-five percent of its computers each year, as well as secure a "Total Care" package with each laptop that will cover the costs of repairs these computers need during the lease agreement. Each computer will be leased for a period of four years and the City will then be able to purchase the computer for one dollar.

The fiscal impact of \$28,196.87 is based upon a 7% interest rate. Next year, that number will be estimated at \$56,393.75. Year three, the estimated cost will be \$84,590.62. Year four, and each subsequent year will be \$112,787.50 based upon the cost of the computers at today's price and current interest rates.

**RECOMMENDATION:**

City Staff recommends approval of the Resolution.

**SUBMITTED BY:**

T. Buzz Nielsen, Chief of Police